

Message Text

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PAGE 01 STATE 015977

72

ORIGIN EA-14

INFO OCT-01 NEA-11 ISO-00 INT-08 FEA-02 CAB-09 CIAE-00

COME-00 DODE-00 EB-11 INR-10 NSAE-00 RSC-01 FAA-00

DOT-00 SPC-03 AID-20 NSC-10 CIEP-02 TRSE-00 SS-20

STR-08 OMB-01 CEA-02 FRB-02 XMB-07 OPIC-12 LAB-06

SIL-01 IO-14 NSCE-00 SSO-00 USIE-00 INRE-00 /175 R

66617

DRAFTED BY: EA/PHL:RTWILLNER

APPROVED BY: EA/PHL:DCCUTHELL

EA/IMS:PGILL

NEA/IRN:MMICHAUD

EB/OA/AVP:JASILBERSTEIN

EA/ANP:HLANGE

EB/TT:WLGALLAGHER

INT/DOTA:JDEYNG

----- 079775

O R 242144Z JAN 74

FM SECSTATE WASHDC

TO AMEMBASSY MANILA IMMEDIATE

INFO AMEMBASSY SINGAPORE

AMEMBASSY TEHRAN

CINCPAC

HICOMTERPACIS SAIPAN

GOV GUAM

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EO 11652: NA

TAGS: ENRG, ETRAN, RP, US

SUBJ: PHILIPPINE AIR LINES FUEL PROBLEM

REF: A. STATE B. MANILA 857

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PAGE 02 STATE 015977

CINCPAC ALSO FOR POLAD

HICOMTERPACIS, SAIPAN FOR STATUS LNO TRENT

1. DEPARTMENT HAS NOW RECEIVED ACCOUNT FROM MOBIL IN NEW YORK OF PETROLEUM SITUATION IN GUAM. ACCORDING TO MOBIL, GUAM HAS TRADITIONALLY RECEIVED PETROLEUM PRODUCTS PRINCIPALLY FROM PERSIAN GULF AREA, SO THAT ARAB EMBARGO ON SHIPMENTS TO US, IN WHICH GUAM INCLUDED, HAS CAUSED SEVERE PROBLEM THERE. THIS HAS BEEN COMPLICATED BY AN ALLEGED IRANIAN FREEZE ON SHIPMENT OF JET FUEL AND REPORTED RELUCTANCE ON PART OF SINGAPORE TO PERMIT SHIPMENT TO GUAM UNLESS MOBIL COULD GUARANTEE NO ARAB CRUDE INVOLVED. MOBIL HAD THEREFORE HOPED PHILIPPINES, WHICH HAS BEEN A SOURCE OF SUPPLY IN PAST, COULD PROVIDE RELIEF.

2. IN RE PAL, MOBIL HAS CONTRACT FOR 16 MILLION GALLONS OVER A YEAR, AND CLAIMS IT IS DELIVERING AT CONTRACT LEVEL, AS IT IS SEEKING TO DO WITH ALL CONTRACT CUSTOMERS, ON A NON-DISCRIMINATORY BASIS. ALTHOUGH ADVISED OF TEMPORARY NATURE OF HOMECOMING PROGRAM WHICH HAS LED TO UNUSUAL PAL DEMAND, MOBIL RELUCTANT TO DRAW AGAINST FUTURE PAL REQUIREMENTS UNLESS THERE IS SOME ASSURANCE OF FUTURE DELIVERIES, WHICH CANNOT NOW BE COUNTED ON. MOBIL CONCERNED IT MIGHT BE FORCED TO CUT OTHER CARRIERS BELOW CONTRACT RATE, IF ADVANCE TO PAL NOT REPLENISHED.

3. IN SITUATION OF UNCERTAIN AVAILABILITIES FOR GUAM AND TTPI, DEPARTMENT MOST RELUCTANT TO ADVISE FEDERAL ENERGY OFFICE TO DIRECT MOBIL TO INCREASE PAL ALLOCATION, PARTICULARLY WHEN US CARRIERS SERVING GUAM HAVE ALREADY HAD TO CUT SERVICE SIGNIFICANTLY (TWA FROM 14 TO 10 FLIGHTS WEEKLY). HOWEVER, DEPARTMENT COULD CONSIDER EMERGENCY RELIEF FOR PAL IN GUAM IF GOP COULD RELEASE SUFFICIENT FUEL TO RELIEVE PRESENT CRITICAL SITUATION THERE AND IN TTPI.

4. AS SEPARATE MATTER, DEPARTMENT HAS ALREADY ADVISED PAL ATTORNEYS WE COULD CONSIDER ADJUSTED BASE FOR ALLOCATIONS IN SAN FRANCISCO AND HONOLULU IF PAL CAN DEMONSTRATE THAT LOAD FACTORS SUFFICIENTLY HIGH TO JUSTIFY SUCH ACTION.

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PAGE 03 STATE 015977

5. FOR SINGAPORE: IT HAS BEEN DEPARTMENT'S UNDERSTANDING GOS BAN EXTENDED ONLY TO US MILITARY CUSTOMERS. WOULD APPRECIATE EMBASSY SINGAPORE'S COMMENTS. KISSINGER

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Message Attributes

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Copy: SINGLE
Draft Date: 24 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE015977
Document Source: CORE
Document Unique ID: 00
Drafter: EA/PHL:RTWILLNER
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1974/newtext/t19740118/aaaaaqgv.tel
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30 JUN 2005

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